



March 9, 2023

Statement of the Connecticut Food Association – Labor and Public Employees Committee

Wayne Pesce, President, Connecticut Food Association

Raised SB 1177: An Act Concerning One Fair Wage

The Connecticut Food Association (CFA) proudly advocates on behalf of the food retail industry. Its mission is to promote the growth of Connecticut's grocery community through economic development, nutrition & wellness, environmental stewardship, and community service. CFA membership covers the spectrum of diverse venues where food is sold, including independent grocery stores, regional supermarket chains, food distributors, food manufacturers, and specialty food purveyors.

On behalf of Connecticut's food retail industry, I urge you to oppose SB 1177

Proponents of the bill believe every person making \$15 per hour also receives state assistance. This is not true. The fact is many of our part time employees are teens working their first jobs, retirees, or individuals working a second job to supplement a more substantial income and not in need of state services.

Most of our stores are unionized and those that are not pay similar wages and benefits because they compete for the same labor pool. Our unions pride themselves on meeting the needs of their members by negotiating a beneficial wage and benefit package for the good of the employee. By taxing wages, there is less money available to allocate to wages and benefits paid directly to our workforce. Historically, unions representing the supermarket industry oppose these bills.

Connecticut's population is flat at best and our economy in flux. Due to inflationary conditions, retail sales are unpredictable and hiring people has been a challenge. Brick and mortar stores are losing market share to on-line retailers. This proposal further subjugates the food industry's ability to recover and create jobs. An added tax of this magnitude would leave our industry no choice but to reduce other benefits and raise grocery prices further. Connecticut consumers should not be facing higher food prices in today's hyper inflated climate.

This bill sends the wrong message to businesses in Connecticut who are facing volatile headwinds navigating the current market conditions.